

State of Colorado
Oil and Gas Conservation Commission

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NOTICE OF ALLEGED VIOLATION - ISSUED

Per Rule 522, the Director has reasonable cause to believe that a violation of the Act, or of any Commission rule, order, or permit has occurred, the Director will require the operator to remedy the violation and may commence an enforcement action seeking penalties by issuing a Notice of Alleged Violation (NOAV). Per Rule 523, an operator who violates the Act, or a Commission rule, order, or permit may be subject to a penalty imposed by Commission order.

OPERATOR INFORMATION

OGCC Operator Number: 51065

Name of Operator: LOEB LLC* HERMAN L

Address: P O BOX 838

City: LAWRENCEVILLE State: IL Zip: 62439

Contact Name and Telephone:

Name: DIANE LEBOVITZ

Phone: (618) 943-2227 Fax: ()

Email: dlebovitz@aol.com

Additional Operator Contacts	Email
Edward Loeb	ed@loeboil.com
Shane Pelton	shane@loeboil.com
Jeremy Hafele	jeremy@loeboil.com

Well Location, or Facility Information (if applicable):

API Number: 05-017-06661-00

Facility or Location ID: _____

Name: WHITE 'AM'

Number: 1

QtrQtr: SWNE Sec: 24

Twp: 14S Range: 42W

Meridian: 6

County: CHEYENNE

ALLEGED VIOLATION

Rule: 210.b

Rule Description: Signs & Markers- Wells & Batteries

Initial Discovery Date: _____

Was this violation self-reported by the operator? No

Date of Violation: _____

Approximate Time of Violation: _____

Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

Pursuant to Rule 210.b, within 60 days after the completion of a well or the installation of a battery, Herman L Loeb LLC* ("Operator") shall install a permanent sign at the wellhead. This sign shall provide, among other required information, the name of Operator, a phone number at which Operator can be reached at all times, and a phone number for local emergency services (911 where available).

On January 31, 2019, COGCC Staff inspected Operator's White 'AM' #1 (API No. 05-017-06661, "Well") location and observed a steady, forceful stream of natural gas venting from an open valve at the wellhead, and a 4 gas meter detected methane gas from the stream. COGCC Staff attempted to contact Operator the same day via the posted emergency contact number, but the posted phone number was not in service and COGCC Staff was unable to reach Operator until the next day. COGCC Staff required Operator to install compliant signage by March 2, 2019. (Field Inspection Report No. 682600612, including Photographs).

Operator failed to install a permanent sign with the required information at the Well location, violating Rule 210.b.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 03/18/2019

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

Operator shall install signage at the Well including a current phone number at which Operator can be reached at all times.

By the corrective action due date, Operator shall submit an eForm 4 Sundry Notice which provides photograph evidence of the up-to-date signage. Operator shall include an explanation of how Operator will ensure the required signage at the Well location will be kept up to date, and how Operator will ensure the posted phone number will reach Operator at all times.

Rule: 912.b

Rule Description: Venting or Flaring Natural Gas - Notice and Prior Approval Required

Initial Discovery Date: _____

Was this violation self-reported by the operator? No

Date of Violation: _____

Approximate Time of Violation: _____

Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

Pursuant to Rule 912.b., except for gas flared or vented during an upset condition, well maintenance, well stimulation flowback, purging operations, or a productivity test, Herman L Loeb LLC* ("Operator") shall flare or vent gas from a well only after Operator has given notice to and obtained approval from COGCC on a Sundry Notice ("Form 4") stating the estimated volume and content of the gas.

On January 31, 2019, COGCC Staff inspected Operator's White 'AM' #1 (API No. 05-017-06661, "Well") location and observed a steady, forceful stream of natural gas venting from an open valve at the wellhead, and a 4 gas meter detected methane gas from the stream. COGCC Staff observed that no upset conditions or other 912.b. exceptional circumstances were occurring at the time of the venting, and that Operator had neither requested nor received approval from COGCC for venting/flaring at the Well location. COGCC Staff attempted to contact Operator the same day via the posted emergency contact number, but the posted phone number was not in service and COGCC Staff was unable to reach Operator until the next day. (Field Inspection Report No. 682600612, including Video).

On February 13, 2019, COGCC Staff conducted a follow up inspection of the Well location and observed that the valve noted as open in the January 31 inspection had been removed, leaving an open pipe actively venting methane gas. (Field Inspection Report No. 682600625, including Photos)

As of February 14, 2019, Operator has not submitted any Form 4 request for approval to vent or flare at the Well location.

Operator vented gas from the Well, and failed to give notice to or seek approval from COGCC prior to such flaring/venting, violating Rule 912.b.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 03/18/2019

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

Operator shall immediately cease venting and flaring at the Well location, and shall ensure it has obtained written COGCC approval via Form 4 prior to resuming venting or flaring.

In its Rule 522.d.(2) Answer, due within 28 days of the Operator's receipt of the NOAV, Operator shall include documentation of implementation of an internal procedure to ensure COGCC approval is obtained prior to any venting or flaring at its locations, as required by Rule 912.b.

PENALTY

Penalties for violations alleged in this NOAV will be calculated pursuant to Rule 523, with daily penalties accruing pursuant to Section 34-60-121(1), C.R.S.

ANSWER

Pursuant to Rule 522.d.(2), the operator must file an Answer to this NOAV within 28 days of its receipt, or a default judgement may be entered. Hard copy answers are filed with the Commission Secretary at the Commission's Denver office and should also be emailed to dnr_cogccenforcement@state.co.us.

NOAV ISSUED

NOAV Issue Date: 02/14/2019	
COGCC Representative Signature: _____	
COGCC Representative: Kira Gillette	Title: NOAV Specialist
Email: kira.gillette@state.co.us	Phone Num: (303) email

CORRECTIVE ACTION COMPLETED

Rule: 210.b	
Rule Description: Signs & Markers- Wells & Batteries	
Corrective Action Start Date: _____	Corrective Action Complete Date: _____
Has corrective action for this violation been performed as required? _____	
Description of Actual Corrective Action Performed by Operator	
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Rule: 912.b	
Rule Description: Venting or Flaring Natural Gas - Notice and Prior Approval Required	
Corrective Action Start Date: _____	Corrective Action Complete Date: _____
Has corrective action for this violation been performed as required? _____	
Description of Actual Corrective Action Performed by Operator	
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FINAL RESOLUTION

Cause #: _____	Order #: _____	Docket #: _____
Enforcement Action: _____	Final Resolution Date: _____	
Final Resolution Comments:		
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ATTACHMENT LIST

View Attachments in Imaged Documents on COGCC website (<http://ogccweblink.state.co.us/>) - Search by Document Number.

Document Number	Description
401939953	NOAV COVER LETTER
401939954	NOAV CERTIFIED MAIL RECEIPT
401939968	NOAV ISSUED

Total Attach: 3 Files